## **HOUSE BILL No. 1987**

## DIGEST OF INTRODUCED BILL

Citations Affected: IC 22-2-6-2.

**Synopsis:** Wage assignments. Permits a wage assignment for any purpose described in a written agreement between an employee and an employer.

Effective: July 1, 2003.

## **Borror**

January 23, 2003, read first time and referred to Committee on Labor and Employment.





First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in this style type, and deletions will appear in this style type.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or *this style type* reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

## **HOUSE BILL No. 1987**

A BILL FOR AN ACT to amend the Indiana Code concerning labor and industrial safety.

Be it enacted by the General Assembly of the State of Indiana:

1	SECTION 1. IC 22-2-6-2, AS AMENDED BY P.L.83-2001,
2	SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
3	JULY 1, 2003]: Sec. 2. (a) Any assignment of the wages of an
4	employee is valid only if all of the following conditions are satisfied:
5	(1) The assignment is:
6	(A) in writing;
7	(B) signed by the employee personally;
8	(C) by its terms revocable at any time by the employee upon
9	written notice to the employer; and
10	(D) agreed to in writing by the employer.
11	(2) An executed copy of the assignment is delivered to the
12	employer within ten (10) days after its execution.
13	(3) The assignment is made for a purpose described in subsection
14	(b).
15	(b) A wage assignment under this section may be made for the
16	purpose of paying any of the following:
17	(1) Premium on a policy of insurance obtained for the employee



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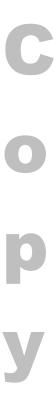
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1	by the employer.
2	(2) Pledge or contribution of the employee to a charitable or
3	nonprofit organization.
4	(3) Purchase price of bonds or securities, issued or guaranteed by
5	the United States.
6	(4) Purchase price of shares of stock, or fractional interests
7	therein, of the employing company, or of a company owning the
8	majority of the issued and outstanding stock of the employing
9	company, whether purchased from such company, in the open
10	market or otherwise. However, if such shares are to be purchased
11	on installments pursuant to a written purchase agreement, the
12	employee has the right under the purchase agreement at any time
13	before completing purchase of such shares to cancel said
14	agreement and to have repaid promptly the amount of all
15	installment payments which theretofore have been made.
16	(5) Dues to become owing by the employee to a labor
17	organization of which the employee is a member.
18	(6) Purchase price of merchandise sold by the employer to the
19	employee, at the written request of the employee.
20	(7) Amount of a loan made to the employee by the employer and
21	evidenced by a written instrument executed by the employee
22	subject to the amount limits set forth in section 4(c) of this
23	chapter.
24	(8) Contributions, assessments, or dues of the employee to a
25	hospital service or a surgical or medical expense plan or to an
26	employees' association, trust, or plan existing for the purpose of
27	paying pensions or other benefits to said employee or to others
28	designated by the employee.
29	(9) Payment to any credit union, nonprofit organizations, or
30	associations of employees of such employer organized under any
31	law of this state or of the United States.
32	(10) Payment to any person or organization regulated under the
33	Uniform Consumer Credit Code (IC 24-4.5) for deposit or credit
34	to the employee's account by electronic transfer or as otherwise
35	designated by the employee.
36	(11) Premiums on policies of insurance and annuities purchased
37	by the employee on the employee's life.
38	(12) The purchase price of shares or fractional interest in shares
39	in one (1) or more mutual funds.
40	(13) A judgment owed by the employee if the payment:
41	(A) is made in accordance with an agreement between the
42	employee and the creditor; and
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1	(B) is not a garnishment under IC 34-25-3.
2	(14) Subject to any limitations imposed by federal or state
3	law, payments for any purpose described in a written
4	agreement between an employee and an employer.

